

THOMAS L. GARTHWAITE, M.D. Director and Chief Medical Officer

FRED LEAF Chief Operating Officer

COUNTY OF LOS ANGELES DEPARTMENT OF HEALTH SERVICES 313 N. Figueroa, Los Angeles, CA 90012 (213) 240-8101

May 5, 2005

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

## APPROVAL OF AMENDMENT NO. 8 TO AGREEMENT NOS. H-205962, H-205964, H-205965 AND H-205967 FOR OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT FIVE DEPARTMENT OF HEALTH SERVICES FACILITIES

(All Districts) (3 Votes)

### IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director, or his designee, to execute four overflow medical records coding and abstracting services agreement amendments, substantially similar to Exhibits I through IV, with Hospital Employee Labor Pool (H-205962), Ladera Career Paths (H-205964), Associated Record Technical Services dba ARTS, Inc. (H-205965) and Jenn International, Inc. dba Jenn International Personnel Agency (H-205967), on a month-to-month basis, with rates to remain the same, effective July 1, 2005 through January 31, 2006, at a total maximum County cost of \$7,029,447.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

In approving this action, the Board is authorizing the Director, or his designee, to sign four amendments to extend their respective terms under the same terms and conditions as specified in the existing agreements for the continued provision of overflow medical records coding and abstracting services at Department of Health Services' (DHS or Department) facilities (Harbor/UCLA Medical Center, including Coastal Cluster Health Centers, LAC+USC Healthcare Network, including Network Health Centers, Martin Luther King, Jr./Drew Medical Center, including South/West Health Centers, Olive View-UCLA Medical Center, and Rancho Los Amigos National Rehabilitation Center).

The four existing agreements are slated to expire on June 30, 2005.

Gloria Molina First District

Yvonne Brathwaite Burke Second District

> Zev Yaroslavsky Third District

> > Don Knabe Fourth District

Michael D. Antonovich
Fifth District

The Honorable Board of Supervisors May 5, 2005 Page 2

Board approval of the recommended action will ensure uninterrupted overflow medical records coding and abstracting services at DHS' facilities, and allow additional time for the Department to complete the Request for Proposals (RFP) solicitation process.

#### FISCAL IMPACT/FINANCING:

The maximum total County cost for the seven-month extension period is \$7,029,447. Funding for the four agreements has been included in the Fiscal Year 2005-06 Proposed Budget.

### FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Medical records coding and abstracting services are specialized diagnostic and operative coding and abstracting services, including tumor registry coding and abstracting, and cancer surveillance reporting. Patients' medical records are audited, coded and abstracted in accordance with established numerical coding systems and special hospital coding systems. Without proper coding of these procedures, DHS would not be reimbursed for various medical procedures.

On June 25, 1996, the Board approved six agreements with six firms to provide medical record coding and abstracting services. On May 5, 1998, the Board approved Amendment No. 1 to add High Desert Health System as a delivery site. Subsequently, Amendment Nos. 2 through 6 were approved by the Board during the period of December 5, 2000 through June 18, 2004, extending the term with no increase to the payment provision and adding standard language provisions.

On June 15, 2004, the Board approved Amendment No. 7 to extend the term of the agreements through June 30, 2005 to allow DHS time to conduct a competitive RFP process.

The RFP was released on June 18, 2004. By the September 28, 2004 deadline for proposal submissions, 43 proposals were received from nine agencies. Thirty-four proposals passed phase one of the evaluation process. The Department has submitted its avoidable cost analysis to the Auditor-Controller for review and validation. Because of the substantial number of proposals received, additional time is necessary to complete the RFP process.

The rates for the services remain the same; however, three facilities, Hubert H. Humphrey Comprehensive Health Center, Olive View-UCLA Medical Center, and Rancho Los Amigos National Rehabilitation Center are projecting an increased need for utilization of these services resulting in an increase in the maximum obligation.

The existing Contractors are in compliance with all Board and County Counsel requirements. Contract monitoring functions will continue to be performed by the Medical Records Director at each medical facility.

Attachment A provides additional information. The attached amendments (Exhibits I through IV) have been approved by County Counsel.

The Honorable Board of Supervisors May 5, 2005 Page 3

### **CONTRACTING PROCESS:**

An RFP solicitation, conducted in accordance with Section 44.7 of the County Charter, and implemented by Section 2.121.250 et seq. of the Los Angeles County Code which permits the County to contract with the private sector when it is more economically feasible, was released on June 18, 2004.

Because of the substantial number of proposals received, a term extension is necessary to complete the RFP process.

Amendment No. 8 will extend the term of the agreements an additional seven months, on a month-to-month basis, pending completion of the RFP process.

It is not appropriate to advertise amendments to agreements on the Los Angeles County Web Site as a business opportunity.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS):**

The recommended amendments will provide overflow medical records coding and abstracting services at DHS' facilities while the Department completes the RFP solicitation process.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Thomas L. Garthwaite, M.D. // Director and Chief Medical Officer

TLG:pem

Attachments (5)

c: Chief Administrative Officer

County Counsel

Executive Officer, Board of Supervisors

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#### **SUMMARY OF AGREEMENT**

#### TYPE OF SERVICE: 1.

Overflow medical records coding and abstracting services at DHS' facilities.

#### AGENCY ADDRESSES AND CONTACT PERSONS: 2.

Agreement No. H-205962 Hospital Employee Labor Pool 5400 Orange Avenue, Suite 200 Cypress, California 90630 Attention: Teri Carter Telephone: (714) 243-3510

Agreement No. H-205965

Facsimile: (714) 243-3505

Associated Record Technical Services dba ARTS, Inc. 600 Corporate Pointe, Suite 1150 Culver City, California 90230 Attention: Nzingha Asantewa Ali Telephone: (310) 641-7446 Facsimile: (310) 641-1208

Agreement No. H-205964 Ladera Career Paths

6820 La Tijera Blvd., Suite 217 Los Angeles, California 90045 Attention: Anna Little Telephone: (310) 568-0244 Facsimile: (310) 568-8202

Agreement No. H-205967 Jenn International, Inc.,

dba Jenn International Personnel Agency

3250 Wilshire Blvd., Suite 926 Los Angeles, California 90010 Attention: Jennifer Oracion Telephone: (213) 388-1688 Facsimile: (213) 388-9685

#### TERM: 3.

The amendments will extend the term of the four (4) agreements on a month-to-month basis for up to 7 months, effective July 1, 2005 through January 31, 2006.

#### **FINANCIAL INFORMATION:** 4.

The maximum cost of the services for the four amendments is \$7,029,447.

	FY 2005-06
DHS Facility	<u>7/1/05 - 1/31/06</u>
Harbor/UCLA MC	\$ 832,795
Harbor/UCLA CHC & HC	\$ 217,000
LAC+USC MC	\$2,186,333
LAC+USC CHC & HC	\$ 964,250
MLK	\$1,663,195
MLK HC	\$ 375,374
Olive View	\$ 566,500
Rancho	<u>\$ 224,000</u>
TOTAL	\$7,029,447

### ACCOUNTABLE FOR MONITORING:

Medical Records Directors at each facility.

#### 6. APPROVALS:

Department of Health Services:

Fred Leaf, Chief of Operations

Contract Administration:

Irene E. Riley, Director

County Counsel:

Christina A. Salseda, Deputy County Counsel

# OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS AGREEMENT

#### AMENDMENT NO. 8

THIS AMENDMENT	is made	and ente	ered into	this	day	of
		2005,				
by and between	the			LOS ANGEI		
and		(11	CICALCEL	country	) <b>,</b>	

HOSPITAL EMPLOYEE LABOR POOL (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS", dated June 25, 1996, and further identified as County Agreement No. H-205962, and Amendment Nos. 1 through 7 (all hereafter referred to as "Agreement"); and

WHEREAS, Agreement is slated to expire on June 30, 2005; and WHEREAS, it is the desire of the parties to extend the term of the Agreement for a maximum of seven (7) additional months through January 31, 2006 unless sooner terminated; and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

- 1. This Amendment shall become effective July 1, 2005.
- 2. The term of Agreement is hereby extended seven (7) months, on a month-to-month basis and, unless sooner cancelled or terminated, shall expire at twelve midnight on January 31, 2006.
- 3. During the extension period, Contractor shall be compensated according to the same payment provisions and same rate(s) specified in the Agreement for the immediate prior six (6) calendar month term.
- 4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

Ву \_ THOMAS L. GARTHWAITE, M.D. Director and Chief Medical Officer

APPROVED AS TO FORM HOSPITAL EMPLOYEE LABOR POOL BY THE OFFICE OF COUNTY COUNSEL Contractor County Counsel Name \_\_\_\_ Deputy Title \_ (AFFIX CORPORATE SEAL HERE) APPROVED AS TO CONTRACT

ADMINISTRATION:

Department of Health Services

Irene E. Riley, Director Contract Administration

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## OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS AGREEMENT

#### AMENDMENT NO. 8

THIS	AMENDMENT	is	made	and	entered	into	this	-	day	of
 			_, 20	05,						
by ar	nd between	the	9					NGELES		
and					(Herec	ircer	Cou.	iicy ),		

LADERA CAREER PATHS (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS", dated June 25, 1996, and further identified as County Agreement No. H-205964, and Amendment Nos. 1 through 7 (all hereafter referred to as "Agreement"); and

WHEREAS, Agreement is slated to expire on June 30, 2005; and WHEREAS, it is the desire of the parties to extend the term of the Agreement for a maximum of seven (7) additional months through January 31, 2006 unless sooner terminated; and

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COUNTY OF LOS ANGELES

By \_\_\_\_\_\_ THOMAS L. GARTHWAITE, M.D. Director and Chief Medical Officer

HERE)

APPROVED AS TO FORM	LADERA CAREER PATHS
BY THE OFFICE OF COUNTY COUNSEL County Counsel	Contractor
Country Counsel	Ву
Ву	Namo
Deputy	Name
	Title
APPROVED AS TO CONTRACT ADMINISTRATION:	(AFFIX CORPORATE SEAL
Department of Health Services	
Ву	
Irene E. Riley, Director	
Contract Administration	

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4/27/05

## OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS AGREEMENT

#### AMENDMENT NO. 8

THIS AMENDMENT	is made and	entered into this day of
4-14-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	, 2005	
by and between	the	COUNTY OF LOS ANGELES (hereafter "County'),
		ASSOCIATED RECORD TECHNICAL SERVICES DBA ARTS, INC. (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS", dated June 25, 1996, and further identified as County Agreement No. H-205965, and Amendment Nos. 1 through 7 (all hereafter referred to as "Agreement"); and

WHEREAS, Agreement is slated to expire on June 30, 2005; and WHEREAS, it is the desire of the parties to extend the term of the Agreement for a maximum of seven (7) additional months through January 31, 2006 unless sooner terminated; and

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_\_ THOMAS L. GARTHWAITE, M.D. Director and Chief Medical Officer

APPROVED AS TO FORM

BY THE OFFICE OF COUNTY COUNSEL

County Counsel

By

Deputy

Name

Title

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

Irene E. Riley, Director Contract Administration

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## OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS AGREEMENT

#### AMENDMENT NO. 8

THIS AMENDMENT is made	de and entered into this day of
	, 2005,
by and between the	COUNTY OF LOS ANGELES (hereafter "County'),
	JENN INTERNATIONAL, INC.  DBA JENN INTERNATIONAL  PERSONNEL AGENCY (hereafter  "Contractor").

WHEREAS, reference is made to that certain document entitled "OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES AT DHS MEDICAL CENTERS", dated June 25, 1996, and further identified as County Agreement No. H-205967, and Amendment Nos. 1 through 7 (all hereafter referred to as "Agreement"); and

WHEREAS, Agreement is slated to expire on June 30, 2005; and WHEREAS, it is the desire of the parties to extend the term of the Agreement for a maximum of seven (7) additional months through January 31, 2006 unless sooner terminated; and

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COUNTY OF LOS ANGELES

THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical
Officer

APPROVED AS TO FORM BY THE OFFICE OF COUNTY COUNSEL County Counsel	JENN INTERNATIONAL, INC. DBA JENN INTERNATIONAL PERSONNEL AGENCY Contractor
ByDeputy	Name
APPROVED AS TO CONTRACT ADMINISTRATION:	Title(AFFIX CORPORATE SEAL HERE)
Department of Health Services	
By Irene E. Riley, Director Contract Administration	

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4/27/05